Chapter 17.—Sanction; Powers of Governments.

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Classification of Charges.

276. Service payments on Government account are divided, so far as regards the sanction necessary to support them, into two main classes, Imperial and Provincial, the particulars of the division varying in the different provinces.

Secretary of State's Sanction.

See Slips from Page 69.

277. I. An audit officer, before admitting in audit any charge against public revenues which requires the sanction of the Secretary of State Council, must satisfy himself that that sanction has been accorded ther by general or by special order of the Secretary of State in Council. e cases in which the audit officer is to regard that sanction as necessary stated in the following rules: for the admission of any charges ich are not stated in these rules to require the sanction of the Secre- y of State in Council, the authority of the Government of India, or, classes of cases in which the Government of India have delegated ir powers to Local Governments, of the Local Government, should be garded as sufficient.

II. In these rules the word "salary" includes all payments to officers from general revenues or from local funds administered by Government, whether in the nature of fixed allowances or of fees, rewards (except language rewards, other than those which take the form of monthly allowances) or honoraria; but it does not include exchange compensation allowance, travelling or conveyance allowances, house-rent allowance or grant of free quarters, allowances to civil surgeons for charge of railway employés, office allowances, and hill allowances governed by authorised hill allowance codes.

NOTE.—In the case of single fees, rewards, or honoraria granted from general revenues or local funds administered by Government, for work outside an officer's ordinary duties, the sanction of the Secretary of State in Council is required only to payments in excess of R1,000.

III. The sanction of the Secretary of State in Council is required—

(1) To any expenditure (except in cases in which authority is granted to the Government of India by this resolution) which is—

(*a*) of an unusual nature; or

(*b*) devoted to objects outside the ordinary work of administration; or

Page 123, Article 277 III (5) as revised by the second list of corrections, dated the 1st June 1913.

Substitute the following for the existing Note 1 under this Article :—

NOTE 1.—This rule applies to single payments only; a recurring honorarium or reward or fee ordinarily requires the same sanction as an increase of remuneration. But the fee paid to an officer selected as an examiner on purely personal grounds, irrespective of his position under Government, though these grounds may bring about his appointment in successive years, or for a term of years, is not a recurring fee within the meaning of this rule.

[*17th List—1-4-17.*]

Page 123, Article 277 III (16) as revised by the second list of corrections, dated the 1st June 1913.

For the words "as approved in paragraph 3 of the despatch.....29th September 1911" *in lines 3 to 5 of this clause, substitute* "approved by the Secretary of State and published in Government of India, Railway Department (Railway Board), Resolution No. 186-T—16, dated the 25th September 1916."

[*17th List—1-4-17.*]

Page 123, Article 277 III (19) as amended by the second list of corrections dated the 1st June 1913.

Substitute the following for the existing Note under this Article :—

NOTE:—The sanction of the Secretary of State is not required—

(*a*) To any expenditure by the head of a province from his contract grant on the hire of motor cars for use in the discharge of his official or ceremonial duties.

(*b*) To the purchase of motor cars for the use of officers holding appointments *sui generis*, which are exceptional not only in their duties but their nature, when the circumstances rendering such a course desirable are of a temporary character; provided that the car is disposed of as soon as the need for its use has disappeared.

[*17th List—1-4-17.*]

(*c*) likely to involve at a later date expenditure beyond the powers of sanction of the Government of India.

(2) To the creation of any new permanent appointment, which would ordinarily be held by a gazetted civil officer recruited in England, and to the raising of the pay of such an appointment.

NOTE.—The word "pay" in this clause has the meaning assigned to it in Chapter II of the Civil Service Regulations. The Government of India are empowered to grant local or other special allowances to an officer of the above class, provided that his salary is not thereby raised to an amount in excess of ₹750 a month. . . .

(3) (*a*) To the creation of a permanent appointment, not of the class specified in II (2), of which the salary exceeds ₹500 a month.

(*b*) To the raising of the salary of an officer, or of a sanctioned permanent appointment, not of the class specified in II (2), to an amount in excess of ₹750 a month, or to the increase of a salary which is already in excess of that amount.

NOTE.—In the case of incremental pay, the test for the application of this rule is the maximum pay attainable.

Despatch from the Secretary of State, No. 88 (Financial), dated 28th July 1905.

(4) (*a*) To the temporary appointment or deputation of an officer on a salary exceeding ₹50,000 a year (₹4,166⅔ a month), unless such officer has a lien on an appointment carrying a salary of equal or higher value fixed by statute.

(*b*) To a temporary appointment or deputation carrying a salary of more than ₹500, but less than ₹4,166⅔ a month, when such appointment or deputation is expected to last, or does last, for more than two years. But in this case previous sanction is not required.

(*c*) To the grant of extra remuneration to an officer for specially meritorious work not falling outside the course of his ordinary duties, if the amount of the honorarium exceeds three months' pay of the officer, or if it raises his salary for the year in which it is granted above ₹9,000.

(5) To revisions of permanent establishment which involve additional expenditure of more than ₹50,000 a year. In the case of establishments, such as process-serving establishments, the scale and remuneration of which are determined by Courts of Law under rules having the force of law, the sanction of the Secretary of State in Council is not required under this clause unless the net extra expenditure involved, after allowing for the receipt of fees, exceeds ₹50,000 a year.

(6) To all orders involving expenditure for which the Civil Service Regulations or other authorised code specially declare that the sanction of the Secretary of State in Council is necessary.

(7) To the grant of any pension or gratuity that is not admissible under the provisions of the Civil Service Regulations, the Indian Army Regulations, or any other authorised code, or under any general authority conferred on the Government of India by a despatch of the Secretary of State in Council, such as his despatches sanctioning the grant, subject to specified conditions and limits, of pensions in respect of services rendered during the Mutiny, compassionate gratuities to the families of Government servants left in indigent circumstances, pensions or gratuities to persons injured (or to the families of persons killed) during, or in consequence of service rendered to the State, political pensions or gratuities, and other pensions and gratuities to persons who have rendered exceptional service to the Government.

NOTE.—"The Government of India may subject to the limit of ₹1,000 incur non-recurring expenditure on behalf of political pensioners without reference to the Secretary of State in Council."

(8) To the grant, on political considerations, of (*a*) land either free of revenue or on favourable terms, or (*b*) of assignments of land revenue, if the value of the land or land revenue exceeds ₹1,000 a year. Grants of either kind on other than political considerations are subject to the statutory rules published by the Government of India under the authority of the Secretary of State in their Finance and Commerce Department Resolution of the 20th February 1894, No. 933, and Finance Department Resolution of the 31st October 1910, No. 5751-Ex.

(9) To any expenditure on the erection or alteration of a church, or grant-in-aid towards erection or alteration of a church not wholly constructed out of public funds, in excess of the amount admissible under the rules in the Public Works Department Code.

(10) To any cash grant to a charitable or religious institution (not being a grant for a church under the Public Works Department Code), which exceeds ₹10.000 a year if recurring or ₹50,000 if non-recurring; and to any grant to a charitable or religious institution outside India.

NOTE.—Institutions designed for medical relief are included in the category of charitable institutions.

(11) To expenditure on State ceremonies and assemblies and on the entertainment, at the public charge, of distinguished visitors to India, when the outlay is estimated to exceed ₹1,00,000.

(12) To grants to Local Governments having regular Provincial settlements, other than the following:—

(*i*) non-recurring grants made—

(*a*) to restore Provincial balances to the prescribed minimum when they have been depleted owing to calamities such as famine or plague;

(*b*) to enable Provincial Governments to restore the normal scale of expenditure on civil works or other services, when it has been specially reduced in consequence of calamities such as famine or plague;

(*c*) towards defraying the cost of schemes (costing not more than ten lakhs excluding, or 12½ lakhs including, provision for establishment, tools and plant), when the expenditure would ordinarily be met by local bodies, though passed *pro formâ* through the Provincial accounts; and

(*d*) for Provincial objects of secondary importance, of which the cost is within the limits mentioned in (*c*);

(*ii*) compensatory assignments, whether recurring or non-recurring, made in connection with—

(*e*) erroneous credits of Provincial revenue in the Imperial section of the accounts;

(*f*) expenditure undertaken from Provincial revenues on behalf of the Imperial Government; and

(*g*) transfer of liabilities arising from changes in the method of classification of receipts or charges, or from other causes.

(13) To expenditure for the direct benefit of Native States which is estimated to exceed ₹10,000 a year on any one project, or ₹50,000 if non-recurring.

(14) To a loan to a Native State in excess of ₹5,00,000, or to a series of separate loans granted at short intervals to an amount exceeding ₹5,00,000.

(15) To expenditure on providing any addition to the list of "the special saloon carriages reserved for the use of officials" contained in the enclosure to the Secretary of State's despatch No. 58 (Railway), dated the 15th July 1910.

(16) To the increase of the contract grant of the head of a province.

(17) To the expenditure of public money on the purchase or maintenance of a motor car for the use of an official.

(18) To the revision in any important respect of any of the existing provincial settlements.

IV. In applying these rules, audit officers may assume that all the provisions of the Civil Service Regulations, the India Army Regulations, the Public Works Department Code, the State Railway Codes, the Forest Code, and any other authorised code, have received the sanction of the Secretary of State in Council in all cases in which that sanction is necessary. They may, therefore, admit, without requiring the sanction of the Secretary of State in Council, any pensions, acting allowances, or other allowances which are admissible under the rules of those codes. Any allowances which are in excess of those admissible under those codes will require the sanction of the Secretary of State in Council if they come within the terms of Rule III above.

Rule V of the Resolution of the Government of India in the Finance Department, No. 916-Ex., dated 4th March 1893.

Article 277, page 126—

Insert a new clause :—

(19) To the supply of a motor car to a Government officer at the public expense.

1st List—10-3-13.

V. Audit officers may also assume that any general sanctions issued before 1889 (such, for example, as the orders granting personal allowances to military officers in the police in some provinces, and the rules under which rewards are granted to officers for passing language examinations) had duly received the sanction of the Secretary of State in Council when that is necessary, although under the procedure in force up to that year the orders were communicated to audit officers, on the authority of the Government of India only.

Rule VI of the Resolution of the Government of India in the Finance Department, No. 916-Ex., dated 4th March 1893.

VI. The following rules are special for railways and other public works, excluding military works to which Rule VII below applies:—

(1) No outlay shall ordinarily be charged to loan funds without the sanction of the Secretary of State in Council; but this rule shall not apply to—

(*a*) irrigation projects of which the estimated cost does not exceed ₹10,00,000 excluding provision for establishment, tools and plant, or ₹12,50,000 inclusive of those charges;

(*b*) capital expenditure on lines under construction—

(*i*) included in a railway programme sanctioned by the Secretary of State in Council. In such cases, the sanction of the programme by the Secretary of State in Council will be a sufficient sanction for such works included in it as require his sanction;

(*ii*) which are short additions to, or extensions of, existing lines required to supply needful conveniences for a traffic already established, or local feeder lines not likely to form a portion of any scheme of through communication, provided that the estimated cost in each case does not exceed 12½ lakhs;

(*c*) capital expenditure on open lines of railway—

(*i*) on a work or group of works included in a railway programme sanctioned by the Secretary of State in Council. In such cases the sanction of the programme by the Secretary of State in Council will be a sufficient sanction for all works included in it;

(*ii*) on a work or group of works, not included in a sanctioned railway programme, of which the estimated cost does not exceed ₹20,00,000.

NOTE.—The Government of India may not sanction expenditure from loan funds on irrigation works and railways in excess of the limits of the Public Works programme sanctioned for each year by the Secretary of State in Council.

(2) The sanction of the Secretary of State in Council is required to any work charged to Revenue [other than railways which will be dealt with as under clause (1) above] of which the estimate of cost exceeds ₹16,00,000 when provision for establishment, tools and plant is not included, and ₹20,00,000 when it is included.

NOTE.—This rule does not apply to cases in which a work, though subsidised by lump sum grant from Government, is undertaken by, and on the responsibility of, a local body.

(3) When the estimate for construction of a work either from loan funds or from revenue has been sanctioned by the Secretary of State in Council, the Government of India can ordinarily sanction outlay in excess of the original sanctioned estimate up to an amount of 10 per cent. in excess of the estimate, provided that the excess is not more than ₹12,50,000 including establishment, tools and plant. In the case of estimates for new railway projects, however, the limits are 25 per cent. or ₹50,00,000 over the amounts reported to and approved by the Secretary of State in Council. But any excess over a revised estimate sanctioned by the Secretary of State in Council can be sanctioned only by him.

(4) For the purpose of determining whether the sanction of the Secretary of State in Council is necessary under clauses (2) and (3) of this rule, a group of works which form one project shall be considered as one work and the necessity for obtaining sanction to a project is not avoided by reason of the fact that the cost of each particular work in the project is within the powers of sanction of the Government of India.

NOTE.—The foregoing clause does not apply in the case of railway or irrigation project the construction estimates of which have been closed and further capital outlay on which is being incurred under the rules for open capital expenditure.

(5) Provided that the estimated cost does not exceed 100 lakhs, the Government of India can sanction the construction of a railway by a branch line company domiciled in India, with rupee capital, on general branch line terms which have been previously approved by the Secretary of State in Council, and without a firm guarantee.

(6) As regards non-pensionable establishments on State railways, the Government of India exercise full powers in regard to—

(*a*) creation of appointments and increases and alterations in scales;

(*b*) acting and travelling allowances, bonuses, gratuities, etc.

VII. The following rules are special to military expenditure:—

(1) The sanction of the Secretary of State in Council is required to any military work of which the estimate of cost, including provision for establishment, tools and plant, exceeds ₹1,50,000.

(2) All new measures involving expenditure chargeable to heads Army, Marine, Military Works, or Special Defences, the total initial cost of which, plus one year's recurring expenditure, is estimated to exceed ₹50,000, shall be submitted to the Secretary of State in an annual schedule.

(3) Expenditure on such measures shall not be incurred (*a*) in the case of measures which are beyond the powers of the Government of India as defined in the foregoing sections of this resolution, until the specific sanction of the Secretary of State in Council has been received; (*b*) in the case of measures which are within the powers of the Government of India as defined in the foregoing sections of this resolution, until the measures have been submitted to the Secretary of State in an annual schedule.

As an exception to this rule expenditure of the kind referred to in clause (*b*) may be incurred without previous reference to the Secretary of State, and in anticipation of its inclusion in the next annual schedule, provided that it can be met from savings or lapses in the sanctioned schedule allotment of the year. When expenditure is so incurred, a report should be made to the Secretary of State.

(4) Except with the previous sanction of the Secretary of State in Council, the total expenditure on schedule measures in any year shall not exceed the total sum allotted for such measures in the budget of the year.

NOTE.—Subject to compliance with the requirements of clause (2) above, the Government of India may vary the allocation of the total schedule allotment of the year between the different measures included in the schedule without reference to the Secretary of State or may apply a portion of the total allotment to the prosecution of measures which are included in the schedule, but for which no actual provision has been made.

VIII. Any objection raised under these rules to any order issued by the Government of India will be reported to the Secretary of State for information if the objection is overruled by the Government of India, and for the required sanction if the objection is not overruled.

The following are the Statutory Rules referred to in Rule III (8) of the Resolution:—

The following provisions and restrictions are prescribed by the Secretary of State in Council in exercise of the power reserved to him by Statute 22 and 23 Vict., Cap. 41, section 1, and shall apply to all concessions, grants, leases, and contracts (except such as may be made under any special legislative-sanction) made or entered into by the Government of India, or by a Local Government or Administration or other authority in India, to or with any person, firm, company, syndicate, municipality, or other public body who or which has applied for the same for mining, milling or any other industrial or manufacturing purposes or for the purpose of any railway, tramway, waterworks or other undertaking of a like nature not being for ordinary agricultural or settlement purposes or for the purpose of securing the exploitation of forest produce from State forests:—

I. No concession, grant, or lease of land, of mineral or forest rights, of right to water power, or of right of way or other easement, or of any privilege in respect of land, of mineral or forest rights, of right to water power, or of an easement, and

no contract involving the execution or maintenance by Government of works,

shall be made or entered into by the Government of India to, with, or in favour of any person, firm, syndicate, company, municipality, or other public body for any of the purposes abovementioned without the express sanction of the Secretary of State in Council,—

if such concession, grant, lease, or contract—

(*a*) is intended to endure for a period exceeding ten years, and is not accompanied by an unconditional power of revocation or cancelment by the Government of India at any time during such period on the expiry of six months' notice to that effect, and imposes on the revenues of India an annual liability in excess of fifty thousand rupees; or

(*b*) imposes on such revenues a charge or expenditure or liability to damages in excess of twelve lakhs of rupees; or

(*c*) involves the cession of property or rights of which the estimated value exceeds twelve lakhs of rupees.

II. No concession, grant, or lease of land, of mineral or forest rights, of right to water power, or of right of way or other easement, or of any privilege in respect of land, of mineral or forest rights, of right to water power, or of an easement, and

no contract involving the execution or maintenance by Government of works,

shall be made or entered into by any Local Government or Administration or other authority in India to, with, or in favour of any person, firm, company, syndicate, municipality, or other public body for any of the purposes abovementioned without the express sanction of the Government of India and of the Secretary of State in Council,—

if such concession, grant, lease, or contract—

(*a*) is intended to endure for a period exceeding ten years and is not accompanied by an unconditional power of revocation or cancelment by the Government of India at any time during such period on the expiry of six months' notice to that effect, and imposes on the revenues of India an annual liability in excess of fifty thousand rupees; or

(*b*) imposes on such revenues a charge or expenditure or liability to damages in excess of twelve lakhs of rupees; or

(*c*) involves the cession of property or rights of which the estimated value exceeds twelve lakhs of rupees.

III. No such concession, grant, lease or contract shall be made by any Local Government or Administration or other authority in India to, with, or in favour of any person, firm, company, municipality, or other public body for any of the purposes abovementioned without the express sanction of the Government of India,—

if such concession, grant, lease, or contract—

(*a*) is intended to endure for a period exceeding five years, and is not accompanied by an unconditional power of revocation by the Government at any time during such period on the expiry of six months' notice to that effect, and imposes

on the revenues of India an annual liability in excess of five thousand rupees; or

(*b*) imposes on such revenues a charge or expenditure or liability to damages in excess of one lakh of rupees; or

(*c*) involves the cession of property or rights of which the estimated value exceeds one lakh of rupees.

IV. No such concession, grant, lease, or contract shall be made by any Local Government or Administration or other authority in India to, with, or in favour of any joint stock company, except with the sanction of the Government of India, and subject to these rules so far as the same may be applicable.

V. No transfer of any such concession, grant, lease, or contract or of any part thereof, or any interest therein, or any under-letting, shall be recognized as valid except it be made with the express assent of—

(*a*) the Secretary of State in Council in cases falling within Rule I or II;

(*b*) the Government of India in cases falling within Rule III; and

(*c*) the Local Government or Administration in any other cases; with the proviso that a transfer or under-letting to a company will in all cases require the sanction of the Government of India.

And the Secretary of State in Council and the Government of India as the case may be, may in his or their absolute discretion refuse such assent.

VI. In every writing intended to express any concession, grant, lease, or contract which falls within these rules it shall be expressly declared that such concession, grant, lease, or contract is granted or made subject to them.

VII. When the assent of the Secretary of State in Council is rendered by these rules necessary to the validity of any concession, grant, lease, or contract or to the transfer thereof, it shall be signified under the hand of an Under-Secretary of State; and when the assent of the Government of India is so required it shall be signified under the hand of a Secretary of that Government.

VIII. The foregoing rules I to VII inclusive shall not apply to any concession, grant, lease, or contract for any of the purposes mentioned in Rule I, if made under any special rules issued or approved by the Secretary of State in Council.

Supplementary Rules.

Rule A.—In cases where it is considered expedient to grant concessions or to make agreements, such as those contemplated in the Statutory Rules, the deed of concession, or the agreement, if the rights under it are transferable, must be so framed that it will be beyond the power of the grantees or contractees to transfer their rights, or any part of them, except with the sanction of the Government of India, or of Local Governments and Administrations in cases coming within their cognizance.

B.—All such concession and agreements will further be subject to any special provisions made by Government to meet particular cases or particular classes of cases.

C.—Before any concession or agreement of the class referred to is submitted for the approval of the Government of India, its terms should be considered in the Judicial Department of the Local Government, and by the highest legal adviser to that Government.

D.—The foregoing Rules shall not apply to any concession, grant, lease, or contract for any of the purposes mentioned in the Statutory Rules, if made under any special rules issued or approved by the Secretary of State in Council.

Imperial Charges.

278. (*a*) As regards Imperial charges, the general rule is that, without the previous consent of the Government of India, a Local Government has no authority to sanction, even provisionally, any charges of a permanent nature, nor any charge involving a debit against next year's grant. It may sanction—

(1) Revision of establishment [subject to Provincial Rules 4 (3*a*), (4), (5) and last half of (8) given in Article 283] provided that any additional expense involved be met either by an equivalent reduction in the same department or by a permanent reduction of fixed expense in some other department, charged to the same major head.

(2) Increases in non-gazetted establishments without equivalent reduction, if there be sufficient Budget provision under the same head of charge from savings of other than gazetted officers' salaries: Provided further that the aggregate of the increases sanctioned under all heads does not exceed ₹3,000 in any year; and that no appointment of which the salary exceed ₹50 a month, and no addition to the pay and allowances of any appointment if they exceed, or would after the addition exceed ₹50 a month, may be sanctioned without reference to the Government of India in the Financial Department.

(3) Fixed recurring charges of a contingent character which under the ordinary rules of audit require the sanction of Local Governments up to a limit of ₹200 a year in each case.

(*b*) All increases of establishment sanctioned under this rule should be reported to the Financial Department of the Government of India in annual statements. The sanctions may be held to have been confirmed unless exception is taken to any of them by the Financial Department on a review of the statements.

NOTE.—(*i*) The officers mentioned below exercise the powers referred to in clause (1) in respect of appointments which do not, or would not after the alteration, exceed ₹50 a month :—

Agent to Governor General in Rajputana, Central India, Baluchistan, Chief Commissioner, Ajmer-Merwara; Residents, Hyderabad and Mysore.

(*ii*) These officers are also authorised to sanction temporary appointments and deputations, subject to the conditions (1) that no net increase of expenditure is involved and (2) that only appointments the pay of which does not, or would not after the alteration, exceed ₹50, are dealt with.

(*iii*) The Agent to the Governor General and Chief Commissioner, North-West Frontier Province, is competent to sanction revisions and readjustments of all establishments, subject to Provincial Rule 4, and to the condition that the expense which any revision may entail must be met by an immediate equivalent reduction of permanent expenditure in some establishment under his control.

(*iv*) The following officers are authorised to exercise the powers referred to in clause (3) above :—

The Agent to the Governor General and Chief Commissioner, North-West Frontier Province.
The Agent to the Governor General, Rajputana.
The Agent to the Governor General, Central India.
The Agent to the Governor General, Baluchistan.
The Chief Commissioner, Ajmer-Merwara.
The Resident, Hyderabad.
The Resident, Mysore and Chief Commissioner of Coorg.

(*v*) The Inspector General of Forests, the Agricultural Adviser to the Government of India and Director of Agricultural Research Institute, Pusa, and the Director General of Observatories can sanction (i) revision of permanent establishment involving no extra expenditure, (ii) new appointments not exceeding ₹50 a month within budget provision, subject to the restriction imposed by Article 278 of the Civil Account Code.

(*vi*) Local Governments may sanction non-recurring archæological expenditure which can be met by re-appropriation and recurring expenditure up to a limit of ₹50 a year.

Imperial and Provincial Charges.

278A. (*a*) Local Governments (including Chief Commissioners) may also, subject to the provisos stated below, without reference of each case to the Government of India, sanction expenditure, whether Local, Provincial or Imperial, on objects customarily recognized as fit objects for the expenditure of public money, in cases in which a reference to the Government of India has hitherto been required either (*a*) by the terms of any rule or order, or (*b*) because the conditions or limitations prescribed in any rule or order are not completely fulfilled, or (*c*) because there is no rule or order authorising the expenditure: Provided that—

(1) the sanction relates only to a single payment and does not cover any recurring payment;

NOTE.—This does not prohibit a payment calculated at so much per day or per month (*e.g.*, joining time over 30 days), but merely excludes periodical payments running into future dates.

(2) the sanction does not involve the setting aside of any existing rule of the Government of India as distinguished from the granting of an exemption from its operation, justified by special circumstances; and that it does not establish a new rule or practice involving expenditure;

(3) the total amount payable under the sanction does not exceed ₹1,000 in any case if charged wholly or partly to Provincial or Local, and ₹500 if charged wholly to Imperial;

(4) the expenditure is within the power of the Government of India to sanction, and does not require a reference to the Secretary of State.

NOTE 1.—The powers of a Local Government has been delegated to the Railway Board for the purposes of this article.

(*ii*) These officers are also authorised to sanction temporary appointments and deputations, subject to the conditions (1) that no net increase of expenditure is involved and (2) that only appointments the pay of which does not, or would not after the alteration, exceed ₹50, are dealt with.

(*iii*) The Agent to the Governor General and Chief Commissioner, North-West Frontier Province, is competent to sanction revisions and readjustments of all establishments, subject to Provincial Rule 4, and to the condition that the expense which any revision may entail must be met by an immediate equivalent reduction of permanent expenditure in some establishment under his control.

(*iv*) The following officers are authorised to exercise the powers referred to in clause (3) above :—

The Agent to the Governor General and Chief Commissioner, North-West Frontier Province.
The Agent to the Governor General, Rajputana.
The Agent to the Governor General, Central India.
The Agent to the Governor General, Baluchistan.
The Chief Commissioner, Ajmer-Merwara.
The Resident, Hyderabad.
The Resident, Mysore and Chief Commissioner of Coorg.

(*v*) The Inspector General of Forests, the Agricultural Adviser to the Government of India and Director of Agricultural Research Institute, Pusa, and the Director General of Observatories can sanction (i) revision of permanent establishment involving no extra expenditure, (ii) new appointments not exceeding ₹50 a month within budget provision, subject to the restriction imposed by Article 278 of the Civil Account Code.

(*vi*) Local Governments may sanction non-recurring archæological expenditure which can be met by re-appropriation and recurring expenditure up to a limit of ₹50 a year.

Imperial and Provincial Charges.

278A. (*a*) Local Governments (including Chief Commissioners) may also, subject to the provisos stated below, without reference of each case to the Government of India, sanction expenditure, whether Local, Provincial or Imperial, on objects customarily recognized as fit objects for the expenditure of public money, in cases in which a reference to the Government of India has hitherto been required either (*a*) by the terms of any rule or order, or (*b*) because the conditions or limitations prescribed in any rule or order are not completely fulfilled, or (*c*) because there is no rule or order authorising the expenditure: Provided that—

(1) the sanction relates only to a single payment and does not cover any recurring payment;

NOTE.—This does not prohibit a payment calculated at so much per day or per month (*e.g.*, joining time over 30 days), but merely excludes periodical payments running into future dates.

(2) the sanction does not involve the setting aside of any existing rule of the Government of India as distinguished from the granting of an exemption from its operation, justified by special circumstances; and that it does not establish a new rule or practice involving expenditure;

(3) the total amount payable under the sanction does not exceed ₹1,000 in any case if charged wholly or partly to Provincial or Local, and ₹500 if charged wholly to Imperial;

(4) the expenditure is within the power of the Government of India to sanction, and does not require a reference to the Secretary of State.

NOTE 1.—The powers of a Local Government has been delegated to the Railway Board for the purposes of this article.

NOTE 2.—A Local Government may, subject to the restrictions imposed by Article 277, sanction expenditure under the head "33—Famine Relief" notwithstanding the classification of such expenditure as Imperial or as partly Imperial and partly Provincial, the powers of the Local Government to control and sanction such expenditure being in all respects the same as in the case of Provincial expenditure.

(*b*) Each sanction given under the powers conferred in this article must quote the article for the information of the Account Officer concerned. The authority must not be delegated. It applies to all payments in the Civil Department and to all payments under the Civil Service Regulations in the Public Works Department.

279. (1) A Local Government has power to write off finally the irrecoverable value of stores or public money lost by fraud or the negligence of individuals or other cause, but must report such losses to the Government of India, when the loss exceeds ₹10,000 and falls upon Imperial revenues. Sanction to such writes-off should be communicated to the Accountant General who will scrutinise each case and bring to notice any defect of system which appears to require attention.

NOTE.—This power may be delegated to Commissioners of Divisions, Heads of Departments, the Chief Justices of High Courts, the Chief Judges of Chief Courts and the Judicial Commissioner, Central Provinces, up to ₹200 in each case, provided that the loss does not disclose (1) a defect of system, the amendment of which requires the orders of Government, or (2) serious negligence on the part of some individual officer or officers which might possibly call for disciplinary action requiring the orders of higher authority.

The Board of Revenue, Madras, Commissioners of Divisions and Heads of Departments in Bengal and Burma, the Revenue Commissioner and the Administrative Medical Officer in Baluchistan and the Secretary to the Agent to the Governor General, Baluchistan, are also authorised to write-off up to ₹500 subject to the same conditions.

(2) The Surveyor General of India, the Inspector General of Forests, the Agricultural Adviser to the Government of India and Director of the Agricultural Research Institute, Pusa, ~~and~~ the Director General of Observatories, exercise the powers of a Local Government in regard to writing off the value of stores or money lost by fraud, etc., if the loss does not exceed ₹500, in cases of fraud and ₹1,000 in case of loss or destruction of stores. A report should be made to the Government of India if the loss discloses (1) a defect of system, the amendment of which requires their orders, or (2) serious negligence on the part of some individual officer or officers which might possibly call for disciplinary action requiring the orders of higher authority.

279A. Local Governments, including Chief Commissioners and Departments of the Government of India, have power of remitting, in the case of officers serving under them and without reference to the Government of India in the Finance Department, all disallowances by Audit Officers so far as they affect payments made more than six months before the date when they were challenged, provided they consider the amount to have been drawn by the officer, under a reasonable belief on his part that he was entitled to it. In the case of disallowances of payments made within six months from the date of payment they have similar powers to sanction remissions on the following conditions:—

(1) That the amount challenged was drawn by the officer under reasonable belief on his part that he was entitled to it.

Article 279, clause (2), page 134—

Omit "and" *in line 3, after* "observatories" *in line 4 insert a comma and add* "and the Chief Commissioner of Delhi."

1st List—10-3-13.

Page 134, Article 279.

Substitute the following for this Article :—

279 (*a*). A Provincial Government haspower to write-off finally the irrecoverable value of stores or public money lost by fraud or the negligence of individuals or other causes, but must report such losses to the Government of India when the loss exceeds Rs. 10,000 and falls upon Imperial revenues. It may also delegate to Heads of Departments or other subordinate authorities the power to write off losses under this rule : provided that (1) the amount of the write-off in any individual case shall not exceed such maximum limit or limits, not higher than Rs. 1,000 as the Provincial Government may prescribe for each such subordinate authority, and (2) the loss does not disclose (i) a defect of system the amendment of which requires the orders of higher authority or (ii) serious negligence on the part of some individual officer or officers which might possibly call for disciplinary action requiring the orders of higher authority.

(*b*) A Department of the Government of India has power to write-off finally the irrecoverable value of stores or public money lost by fraud, etc., up to a maximum limit of Rs. 10,000 in any individual case. It may also delegate to Minor Local Governments and Heads of Departments or other subordinate authorities the power to write-off losses under this rule subject to the provisos mentioned in clause (*a*) of this Article.

NOTE.—This rule does not apply to the Army and Railway Departments of the Government of India whose powers in this matter are regulated by separate orders.

(*c*) All sanctions to writes-off under this Article should be communicated to the Accountant General who will scrutinise each case and bring to notice any defect of system which appears to require attention.

NOTE.—This Article applies also to irrecoverable advances.

[16th List—2-1-17.]

Page 134, Article 279A.

Substitute the words : "Provincial Governments" *for the words* "Local Governments including Chief Commissioners" *in the first line of this Article. Also insert the following Notes 1 and 2 under it, the existing Note being numbered as Note 3 :*

NOTE 1.—Minor Local Governments may exercise the power of a Provincial Government under this Article except that the limit of salary for the purpose of condition (4) (*a*) is, in their case, Rs. 1,500 per annum only.

NOTE 2.—Local Governments and Departments of the Government of India may delegate their power under this Article to Heads of Departments provided that (i) the limit of salary for the purpose of condition (4) (*a*) of the Article shall not exceed Rs. 1,500 a year, and (ii) such power shall be exercised only in cases in which the Head of the Department has no immediate executive responsibility for the overdrawals, *e.g.*, it should not extend to members of his office establishment.

[16th List—2-1-17.]

Article 279A, page 135—

Add the following note to this article:—

NOTE.—In the case of payments made in advance and subject to subsequent adjustment on production of final bills, documents or other information for the purpose of audit, the six months' limit dates from the submission of the final bill and not from the receipt of the advance.

1st List—10-3-13.

Page 135, Article 280.

Cancel this Article.

[16th List—2-1-17.]

(2) That the amount challenged was not an overdrawal occasioned by delay in notifying an officer's promotion or reversion.

(3) That the overdrawal does not evidence some defect in the system which should receive the notice of the Government of India.

(4) That the overdrawal has not—

(*a*) had the effect of raising an officer's emoluments in such a manner as to increase his salary beyond ₹9,000 per annum;

(*b*) involved other expenditure which under any specific rule requires the sanction of the Secretary of State.

The Audit Officer should bring to the notice of the Government of India cases in which he thinks that the intention of the rule is being misapplied.

In cases when the above conditions are not fulfilled the sanction of the Government of India in the Finance Department must be obtained.

'**280.** A Local Government may dispose of escheated estates or property not exceeding ₹1,000 in value without previous reference to the Government of India, subject, however, to the submission of an annual statement showing the cases so disposed of.

281. A Department of the Government of India has the same power of sanctioning increase or revision of establishment as a Local Government (Article 278); otherwise, without the consent of the Financial Department previously recorded, no order sanctioning expenditure of money is ordinarily issued by any Department of the Government of India; and if, under emergent circumstances, it be necessary to issue such an order without such previous consent, the order is immediately communicated to the Financial Department. An Accountant General will obey such an order without question, though he will at once report it to the Financial Department, in case, by some oversight, it may not have been communicated in due course. Any Department of the Government of India may also sanction contingent expenditure up to a limit of ₹1,000 in each case, unless there is something novel, doubtful, or irregular in the character of the expenditure.

1. The Inspector General of Forests, the Agricultural Adviser to the Government of India and Director of the Agricultural Research Institute, Pusa, and the Director General of Observatories are authorised to sanction contingent charges within budget limits up to ₹1,000 in each case unless there is something novel, doubtful or irregular in the case.

2. Orders issued under Code rules, or under other regulation or well recognized custom, or in conformity with a sanctioned scale of charge (neither adding to it nor modifying it), are issued direct to the Account Department by Secretariats of the Government of India, without communication to the Financial Department.

3. Pensions and gratuities however are an exception; the orders granting them are sent to Financial Department for registration and despatch to the Accountant General except in the following cases :—

(*a*) Orders passed by the Foreign and Revenue Departments, for the continuance of political pensions to the heirs of deceased pensioners or pensions in lieu of lapsed jagirs up to a limit of ₹5,000 a year, provided there is no departure from recognised rules or practice.

(*b*) Pensions and gratuities granted by the Public Works and Army Departments under Appendix I, Civil Service Regulations.

(c) Pensions of non-gazetted officers sanctioned by the officer having authority to fill up the appointment vacated by the retiring officer.

282. All Departments of the Government of India have power to sanction transfers of grants between detailed heads under the same major head in the sanctioned estimates of their own offices and of any Imperial Department directly administered by them. This authority is subject to the conditions that transfers from savings under salaries of gazetted officers will not be made in any case, and that savings under "Establishment" will be utilized only for the purposes stated in Article 278(2), and not appropriated to contingencies or other charges.

1. Under this rule the Foreign Department has the power, subject to the limitations mentioned above, to transfer savings in the sanctioned grants of one Political Agency to meet unavoidable expenditure in another Agency for which no Budget provision exists, so long as the total of the sanctioned estimates of all the Political Agencies under the direct control of that Department is not exceeded.

2. The Agent to the Governor General, Rajputana, and Chief Commissioner, Ajmer-Merwara, the Agent to the Governor General, Central India, the Resident in Mysore and Chief Commissioner of Coorg and the Resident at Hyderabad, exercise these powers mentioned in the same way as a Department of the Government of India.

3. The Chief Commissioner, Ajmer-Merwara, is authorized to re-appropriate from one head of expenditure to another, within the limits of budget grants, subject to the conditions—

(i) that transfers from savings under "Salaries and Establishment" will be utilised only to meet establishment charges and not appropriated to contingencies or other charges;

(ii) that budget provision made for a special purpose, *e.g.*, a new road, shall not be diverted to meet any other expenditure without the sanction of the Government of India.

4. In the absence of any special orders and subject to the condition that transfers from savings under salaries of gazetted officers and establishment will not be made in any case, the following Heads of Departments under the Government of India have power to sanction transfers of grants between detailed heads under the same major head in the sanctioned estimates of their own offices and of any department directly administered by them :—

(1) Director General, Indian Medical Service.
(2) Sanitary Commissioner.
(3) Superintendent, Port Blair.
(4) Director, Criminal Investigation Department.
(5) Director General of Archæology.
(6) Surveyor General of India.
(7) Inspector General of Forests.
(8) Agricultural Adviser to the Government of India and Director of the Agricultural Research Institute, Pusa.
(9) Director General of Observatories.
(10) Director, Botanical Survey of India.
(11) Railway Board.
(12) Controller of Printing, Stationery and Stamps.
(13) Director General of Posts and Telegraphs.
(14) Chief Inspector of Explosives.
(15) Director General of Commercial Intelligence.
(16) Director, Geological Survey.
(17) Chief Inspector of Mines in India.
(18) Inspector General, Imperial Service Troops.
(19) Commandant, Imperial Cadet Corps.
(20) Comptroller and Auditor General.
(21) Head Commissioner of Paper Currency. Controller of currency
(22) Commissioner, Northern India Salt Revenue.

N. B. as slip

Article 282, page 136—

In line 6 of para. 1 of this article, substitute a full-stop for the comma after "case;" and cancel the rest of the para.

8th List—1-4-15.

Article 282, Note 2, page 136—

From lines 1 and 2 omit "and Chief Commissioner, Ajmer-Merwara."

1st List—10-3-13.

Article 282, Note 3, page 136—

For "Commissioner" *read* "Commissioners," *after* "Ajmer-Merwara" *insert* "and Delhi," *and for* "is" *read* "are"

1st List—10-3-13.

Article 282, page 136, Rule 3 (i)—

For the words "Salaries and Establishment" *in line 1 substitute* "Salaries."

8th List—1-4-15.

Article 282 (4), page 136—

From line 2 omit the words "and Establishment."

8th List—1-4-15.

Article 282, note 4, page 136—

Insert "and officers" after the words "Heads of Departments" in line 3 of this note, and add the following to the list :—

(23) Resident at Baroda.
(24) „ in Nepal.
(25) „ in Kashmir.
(26) Political Agent in charge of the ex-Amir.
(27) „ Officer in Sikkim.

[9th list—1-7-15.]

Article 282, Note 4, page 136—

Add the following as a "N.B." to this note :—

"*N.B.*—The Director of Statistics is authorised to exercise the same power of transfers of grants between detailed heads under the same major head in the sanctioned estimates of his office, subject to the same restrictions."

7th List—15-1-15.

Page 136, Article 282, Note 4—

To the list of officers given in note 4 add :—

" (28)—Council of the Imperial Library."

[*10th list—1-10-15.*]

Article 282, Note 4, page 136—

Against item No. (21) for " Head Commissioner of Paper Currency " *substitute* " Controller of Currency."

7th List—15-1-15.

Article 282, Note 5, page 137—

For the words "and such other officers subordinate to them as have been declared to be Heads of Departments" *in lines 2 and 3, substitute* "and other officers subordinate to them, to whom, in their opinion such delegation can safely be made."

7th List—15-1-15.

Article 282, Rule (1), page 137—

Omit the words "and Establishment" *from this rule.*

8th List—1-4-15.

5. Local Governments and the Local Administrations named in the footnote are authorised to delegate to Boards of Revenue, Financial Commissioners and ~~such other officers subordinate to them as have been declared to be Heads of Departments~~, the power of making re-appropriations in connection with the budget grants of the branches of the administration which they control. Such re-appropriations shall be of a routine character only and shall be made from one minor head to another within the same major head. The power shall be exercised subject to the following conditions :—

(1) That savings under Salaries and Establishment shall not be re-appropriated to other classes of expenditure.

(2) The savings on non-recurring expenditure under " Supplies and Services," Contingencies " and other detailed heads shall not be re-appropriated in order to provide for additional recurring expenditure under " Salaries, Establishment " or on any other account; and

(3) That it will be open to the Government of India and Local Governments to require in any time of financial pressure, that the exercise by Heads of Departments of their powers of re-appropriation shall be suspended.

These orders do not involve the curtailment of any more extended powers that may have been already delegated with sanction of the Government of India to any authorities subordinate to Local Governments and Administrations.

282A. Local Governments and Administrations may, subject to any restrictions they desire to impose, delegate to such officers subordinate to them as they may select for this purpose the authority to vary details (namely the rates of pay of particular posts, the number of hands employed and the period of employment) of any temporary establishments employed under such officers. The authority may be delegated in respect of all temporary establishments whether entertained for full periods of one year or for longer or shorter periods.

The delegation of such authority shall, however, be subject to the following conditions :—

(*a*) That the cost of a temporary establishment shall not be raised beyond the total amount sanctioned for the establishment by the authority which sanctioned its employment.

(*b*) That, where the authority which sanctioned the employment of the temporary establishment is the Local Government or Administration, the pay of no post shall be raised above such a maximum as the Local Government or Administration may by general or special order fix for this purpose.

(*c*) That in other cases, the pay of no post shall be raised above the limit of sanction enjoyed by the authority which sanctioned the employment of the temporary establishment.

Provincial Charges.

283. The following are extracts from the rules and conditions regulating the administration by Local Governments of Provincial Revenues and Expenditure (Financial Department Resolution No. 3531-A., dated 11th August 1897) :—

* * * * * * * * *

3. Subject to the limitations hereinafter stated, Local Governments exercise, in respect of Provincial revenue and expenditure, all the financial powers of sanction and control which were exercised, before the introduction of the system of Provincial finance,

Chief Commissioner, Central Provinces ; Agent to the Governor General and Chief Commissioner, Baluchistan and North West Frontier ; Chief Commissioner, Ajmer-Merwara ; Chief Commissioner, Coorg.

by the Government of India. In the case of revenue and expenditure classified under heads which are divided between Imperial and Provincial in fixed proportions, those powers are exercised by the Local Governments in respect of the Imperial portion also. The financial powers vested in Local Governments as above are necessarily limited to those possessed by the Government of India. In all matters of grave financial importance and in certain minor matters the orders of the Secretary of State are required; and, although some of the limitations rendered necessary by this restriction on the powers of the Government of India are included in the subsequent paragraphs of this Resolution, it should be understood that all orders which are now in force or which may hereafter be issued, which have the effect of requiring the sanction of the Secretary of State in connection with any matter affecting revenue or expenditure, necessarily prevent the Local Governments from issuing, without a reference to the Government of India, final orders in regard to such matter.

4. Without the previous sanction of the Government of India—

(1) No additional taxation may be imposed, and no change made in any existing system of revenue management.

(2) No new general service or duty may be undertaken; whenever a Local Government proposes to undertake any such new service or duty, it must satisfy the Government of India that it can provide the funds for it, temporarily if the service or duty is temporary, and permanently if it is permanent.

(3) (*a*) No permanent appointment may be created with a pay of more than R250 a month, and no addition may be made to the pay and allowances of any officer if they exceed, or would, after the addition, exceed, R250 a month.

(*b*) No temporary appointment or deputation involving the payment of more than R250 a month may be sanctioned for a period exceeding six months.

(4) No permanent appointment of which the pay and allowances are more than R250 a month may be abolished; and the pay and allowances of no such appointment may be reduced.

(5) No class or grade of officers may be created or abolished; and the pay of no class or grade of officers may be raised or reduced.

NOTE.—This rule is not applicable to ministerial establishment.

(6) The rates of duty on spirits and drugs should not be altered in any case in which the alteration is likely to affect the excise arrangements of neighbouring provinces: and in particular the sanction of the Governor General in Council must be obtained to any alteration in the rates of duty in any district which borders on another province.

(7) For the same reason, the rates of discount upon the retail of stamps and court-fees labels must not be altered.

(8) No addition may be made to the pay or allowances of any individual officer, or class of officers, that may lead to increase in the emoluments of any public servants doing duty in the same province, whose pay and allowances are not charged under one of the transferred heads of service. The Government of India reserves the right to forbid alterations in rates of pay or allowances, which, in its opinion, would produce inconvenience in other provinces.

(9) No item, hitherto credited to general revenue, Imperial or Provincial, may be alienated to form an asset of any local or special fund.

(10) Though grants, subventions or assignments from Provincial Revenues to Local or Municipal bodies may be made by Local Governments out of funds which are at their disposal, yet there is no obligation on the State to continue them after the expiration of the quinquennial period of the settlement; and they will not ordinarily be included in the estimate of the Provincial Expenditure to be made for the next settlement.

(11) No money may be removed from the public treasury for investment or deposit elsewhere; the Government of India, which is responsible for the provision of ways and means for the public service in all departments, must always retain, as at present, in its own hands, absolute and unconditional control over all money in the public treasury: a Local Government may not withdraw such money except for expenditure upon the public service. The order applies to local fund balances as much as to provincial funds. The principle is that no funds contributed from the public revenues or raised by general taxation, such as the district cess funds and the like, shall be invested without the consent of the Government of India; these orders do not apply to municipal or port funds, nor to trust or endowment funds, of any kind. The principles which should guide Local Governments in sanctioning the

investment of funds which are derived from local or special taxation are laid down in Government of India, F. D. No. 2312A., dated 1st May 1901.

(12) No alteration must be made in the form or procedure of the public accounts; in particular Local Governments may not issue orders directing the division of a charge between two or more heads of account; the Comptroller General ordinarily decides the proper classification of an item in the accounts.

(13) No services previously rendered to other departments at the charge of the departments made over to the control of the Local Governments may be diminished, and no services previously rendered to these departments at the charge of other departments may be increased.

(14) No line of through communication may be abandoned or allowed to fall out of repair.

* * * * * * * * *

11. It is a general condition, precedent to the delegation of all authority to disburse public money, that it shall be *bonâ fide* for a public object; nothing must be carried out by means of the public funds for the advantage of any individual or body of private persons unless in accordance with some declared or established rule or principle recognised by the Government of India. Nor can expenditure of public money be sanctioned upon objects which are not in the category of recognised objects of expenditure from the revenues of the State. It is the duty of every Audit Officer, at all times, to challenge any infringement of these principles; and every Local Government must submit, for the orders of the Government of India, any representation made to it by any Audit Officer in accordance with this rule which it does not promptly accept.

12. All standing orders and rules of the Supreme Government are to be observed, including, in particular, the rules in the Civil Service Regulations, the Code of the Public Works Department, and the Civil Account Code.

13. Local Governments must exercise the powers vested in them by this Resolution subject to the ordinary rules of the Budget system.

14. The settlement for each Province is a consolidated one, and is not a collection of separate settlements for each Provincial head. The Local Governments and Administrations will be expected to maintain all the Provincial services in a state of administrative efficiency, providing any increased expenditure necessary for the purpose either from savings in expenditure to be effected by economical administration of the Provincial Services, or from development of revenues.

15. The financial powers vested in Local Governments by this Resolution are subject to the general supervision and control of the Government of India, and His Excellency the Governor General-in Council expressly reserves the right of issuing instructions to the Local Governments on general or particular matters affecting the transferred revenues and services, when such interference with the discretion ordinarily vested in them seems to him expedient.

284. Applications for increases of salaries and other permanent charges should be first considered in the department of the Local Government concerned and should then be forwarded to the Financial Department of the Local Government for sanction and for the issue of the necessary orders.

285. If an order be sent to the Accountant General direct from any other department, his duty is the same as in the analogous case with the Government of India; he will not refuse obedience, but will report to the Financial Department of the Local Government that such an order has been issued, and request that it may be communicated to him by the Financial Department in ordinary course.

Local Fund Charges.

286. Local bodies to whom the administration of local or municipal funds has been committed are competent,—subject to the general restrictions imposed by the Legislature or to such special reservations as the Government of India may lay down in any case (*e.g.*, that referred to

in paragraph 22 of Home Department Resolution of the 18th May 1882), or with reference to any particular class of appointments,—to create, as well as to abolish, without reference to higher authority, all appointments the pay of which is chargeable to such local or municipal funds.

287. As regards appointments payable from local funds administered by Local Governments and not by local bodies, the restrictions applicable to appointments payable from Imperial or Provincial revenues are enforced. If the sanction required by this rule has not been obtained in the case of any existing appointment, the sanction of the Government of India should be obtained whenever there is a change of incumbents.

288. Cancelled.

If Government exceeds Powers.

289. If an Account Officer considers that any expenditure sanctioned by the Government of India requires the sanction of the Secretary of State, he will not disallow the charge, but will place it under objection and submit a report with a statement of reasons to the Government of India, Finance Department.

290. It is usually found convenient for a Local Government, before passing orders, to obtain the advice of the Local Accountant General as to any particular application of financial rules or orders concerning which there may be doubt. Also, whenever an Accountant General is of opinion that any proceeding of a Local Government transgresses any such rule or order, it is his duty respectfully to advise the Local Government accordingly. In either case the Local Government may follow or disregard the advice of the Accountant General, as may seem to it right.

291. But if the Accountant General does not finally acquiesce in the correctness of the decision of the Local Government, it is his duty respectfully to request the Local Government to submit the question for the orders of the Supreme Government. The Supreme Government does not usually receive any communication upon such matters from an Accountant General, except through the Local Government; but a Local Government must not withhold any such representation made by an Accountant General unless it yields thereto.

Date of Effect of Sanction.

292. Unless otherwise expressly ruled or unless the contrary appears from the context, a sanction of the Secretary of State takes effect from the date of receipt of the orders by the Government of India, and a sanction of the Government of India or of a Local Government or other authority has effect from the date of the orders conveying the sanction.

Lapse of Sanction.

293. A sanction for any fresh charge which has not been acted on for a year must be held to have lapsed, unless it is specifically renewed.

Article 294, page 141—and the note under it—

Cancel the article and the note.

7th List—15-1-15.

Page 141, Article 295(b)—

For Article 295 (*b*) as amended by the 4th List of Corrections, dated 1st February 1914, *read* as follows :—

"(*b*) between the Imperial grants included in its estimates under all divided major or minor heads as well as wholly Imperial major or minor heads included in the groups "Direct demands on the revenue", "Interest", and "Miscellaneous civil charges" and the head "23.—Ecclesiastical" provided that the total of the Imperial grants under these Imperial major and minor heads is not exceeded."

6th list—1-8-14.

ages 141-146, Article 298.—

Substitute the following for the existing Article and Annexure A on pages 143-146 :—

298. All excesses over the aggregate Imperial and Provincial grants, respectively, under each major head, after taking into account additional grants and reappropriations sanctioned before the close of the year, will be separately exhibited in the Audit and Appropriation Report. Excesses over Provincial grants, provided the aggregate grant for Provincial expenditure has not been exceeded, may be sanctioned by the Local Government. The orders of the Local Government should be passed and any necessary explanations offered in time to permit the Comptroller and Auditor General to refer to them in his Audit and Appropriation Report which is due for issue on or about the 15th April of the second year succeeding that to which it relates.

[*20th List—2-1-18.*]

Page 141, Article 297.—

Omit the last sentence.

[*20th List—2-1-18.*]

Page 141, Article 296.—

Substitute the following for the existing Article and the Note under it :—

296. In any case in which a reference to the Government of India is necessary, applications for additional grants or reappropriations should be made and sanction obtained before the close of the year. Such applications should also be made before any expenditure not provided for in the Estimates is incurred, unless the excess is trifling or could not be foreseen before the close of the year. All excesses not covered by reappropriation or additional grant will be reported to the Government of India through the Comptroller and Auditor General's Audit and Appropriation Report.

[*20th List—2-1-18.*]

Page 141, Article 295 (a)—

After "divided" in line 2 add "major or minor."

Page 141, Article 295 (b) (1)—

After "divided" add "major or minor."

Page 141, Article 295 (b)-(2)—

After "Imperial" in line 1 add "major or minor."

Page 141, Article 295-Note—

After "*Quasi*-Provincial" in line 3 add "major or minor."

Article 297, page 141—

Omit "by the Accountant General" *in line 3 and the* "comma" *after* "General" *in line 4, and insert* "and the Controller of Currency respectively" *after* "General" *in line 4 of the article.*

NOTE.—This article does not apply to a case where an allowance sanctioned for an appointment or a class of officers has not been drawn by a particular incumbent of the appointment or a particular set of officers, nor does it apply to additions made gradually from year to year to a permanent establishment under a general scheme which has been sanctioned by proper authority.

294. On the expiration of the period for which the pay and allowances of an officer in an appointment have been sanctioned by the Government of India, no further payment should be made except under the orders of that Government.

NOTE.—A Local Government has no power to sanction payment to an officer after the lapse of any sanction which may have been accorded by the Government of India.

Budget and Sanction.

295. Subject to the rule laid down in Article 158, a Local Government or Administration can sanction re-appropriations—

(*a*) between the Provincial grants included in its estimates, whether under a wholly Provincial or a divided head, provided that the aggregate grant for Provincial expenditure is not exceeded;

(*b*) between the Imperial grants included in its estimates under—

(1) Divided heads.

(2) Wholly Imperial heads included in the groups "Direct demands on the Revenue," "Interest," and "Miscellaneous Civil Charges," and the head 23.—Ecclesiastical, provided that the total of the Imperial grants for these heads is not exceeded.

NOTE.—The Agent to the Governor General in Baluchistan, and the Chief Commissioner, North-West Frontier Province, exercise the powers described in clauses (*a*) and (*b*) (1) of this article in respect of Imperial and *quasi*-Provincial heads of service under the *quasi*-Provincial settlements concluded with them.

296. In any case in which reference to the Government of India is necessary under the preceding rule, application for sanction may be made at the end of the year in a consolidated statement if the excess is only trifling or if the excess could not be foreseen before the close of the year. In all other cases application for additional grants must be made and sanction must be obtained before any expenditure not provided for in the estimates is incurred.

NOTE.—In the cases referred to in the second sentence of Article 296, the applications for additional grants as well as for re-appropriations of existing grants should always be submitted in time to admit of orders on them being passed before the close of the year. After the year has closed no additional grants or re-appropriations can be sanctioned.

297. Applications under Article 296 for *previous* sanction to additional grants required by the Civil Account and Currency Departments should be submitted by the Accountants General to the Comptroller and Auditor General, who should obtain the sanction of the Government of India when necessary. But such excesses will, of course, be included in the consolidated statement required by Article 298.

298. (*a*) Each Accountant General and Comptroller should submit, on the 20th December each year, to the Government of India, through

the Local Government concerned, a statement in Form 33 showing the aggregate Budget grants and actuals for—

(1) Imperial,
(2) Provincial.

This form should, if there be any excess expenditure to which sanction is required, be accompanied by a consolidated statement (Form 34) showing the excess expenditure for each major head in the Civil Department only, reference being made in the consolidated statement to the relative paragraphs of the appropriation report, in explanation of the excesses.

(*b*) Should there be any excesses in the statement which are not referred to in the appropriation report, owing to their having come to notice as the result of journal entries made after the closing of the final accounts for March, brief explanations of the cause of the excesses and of their omission from the appropriation report should be attached to the statement. The Local Government should communicate to the Audit Office their orders on these statements not later than the 15th of January. The Account Officers should communicate these orders to the Comptroller General for the purposes of the general appropriation report, so as to reach him before the close of January.

(*c*) The above procedure should also be adopted by the Comptroller, India Treasuries, for the expenditure incurred by the Administrations and Departments immediately under the Government of India and coming under his audit. The statement of excess expenditure should, however, in this instance, be prepared and forwarded to the Finance Department in Form 34A, showing separately against each major head for the Foreign Department as a whole and for each province or Imperial Department under the direct administration of any other Civil Department of the Government of India as indicated in Annexure A, the actual expenditure incurred and the excess, if any, requiring the sanction of the Government of India in the Department of Finance. Any expenditure which does not come under the direct administration of any single Department of the Government of India, should be entered in Form 34A, so that the total of each major head may work up to the total shown in the books of the Comptroller, India Treasuries.

299. Similar statements of excess expenditure in the ~~Public Works Department~~, Military, Marine (Imperial) and Post Office Departments are to be prepared by the Chief Account Officers of those Departments and submitted to the Finance Department through the Administrative Departments concerned.

Article 298 (a), page 142—

In last line but two of this article for "Department only," *substitute* "and Public Works Departments,"

1st List—10-3-13.

Article 299, page 142—

Omit the words "Public Works Department" *in lines 1 to 2 of this article.*

1st List—10-3-13.

Page 142, Article 299.—

Cancel this article.

[*20th List—2-1-14.*]

ANNEXURE A.

(See Article 293.)

List of the Provinces, Political Agencies, and Departments, etc., under the Government of India.

Department of the Government of India.	Province, Agency or Department.	Local Government or other controlling authority.	REMARKS.
Foreign Department.	1. AJMER-MERWARA .	Chief Commissioner	The Agent to the Governor General in Rajputana is *ex officio* Chief Commissioner.
	Commissioner of Ajmer.	.....	
	2. BALUCHISTAN . .	Governor General's Agent in Baluchistan.	
	Baluchistan Agency	.....	Residency of the 1st Class.
	Political Agent, Kalat	.....	Political Agencies.
	" Quetta and Peshin.	.....	
	Political Agent, Loralai	.....	
	Political Agent, Zhob .	.....	
	Political Assistant, Chageh.	.....	
	Political Agent, Sibi .	.....	
	3. CENTRAL INDIA . .	Governor General's Agent in Central India.	
	Central India (Indore) Agency.	.....	Residency of the 1st Class.
	Indore . .	.....	Residency of the 2nd Class.
	Gwalior . .		
	Baghelkhand . .	.....	Political Agencies.
	Bhopal . .	.....	
	Bhopawar . .	.....	
	Bundelkhand . .	.....	
	Malwa . . .	.....	
	Goona (Assistancy) .	.....	Held *ex officio* by the Commandant, C. I. Horse, at Goona.
	4. PERSIAN GULF . .	Political Resident in the Persian Gulf.	
	Bushire . . .	.....	Resident of the 2nd Class.
	Kerman . . .	.....	Consulate.

Department of the Government of India.	Province, Agency or Department.	Local Government or other controlling authority.	REMARKS.
Foreign Department—*contd.*	4. PERSIAN GULF—*contd.*		
	Kermanshaw	.....	Vice-Consulate.
	Arabistan	.....	Ditto.
	Bunder Abbas	.....	Ditto.
	Koweit	.....	Political Agency.
	Bahrein	.....	Political Assistancy.
	Maskat	.....	Political Agency.
	5. RAJPUTANA	Governor General's Agent in Rajputana.	
	Rajputana Agency	.....	Residency of the 1st Class.
	Jaipur	.....	Residencies of the 2nd Class.
	Mewar	.....	
	Western Rajputana States.	.....	
	Alwar	.....	Political Agencies.
	Bikaner	.....	
	Eastern Rajputana States.	.....	
	Haraoti and Tonk	.....	
	Kotah and Jhallawar	.....	
	Mewar	.....	Assistancy.
	Kherwara	.....	Ditto.
	Kotra	.....	Ditto.
	6. TURKISH ARABIA	Political Resident in Turkish Arabia.	
	Baghdad	.....	Residency of the 2nd Class.
	7. KASHMIR (*a*)		
	Kashmir	Resident in Kashmir	Residency of the 2nd Class.
	Dir, Swat and Chitral	.....	Political Agencies.
	Gilgit		
	8. SINGLE CHARGES		
	Hyderabad	Resident at Hyderabad.	Residency of the 1st Class.
	Mysore	Resident in Mysore	
	Baroda (*b*)	Resident at Baroda	Residency of the 2nd Class.
	Khorasan	His Britannic Majesty's Consul and Agent to the Governor General in Khorasan.	Consulate.
	Seistan and Kain	His Britannic Majesty's Consul.	Ditto.
	Nepal	Resident in Nepal.	
	Imperial Service Troops.	Inspector General, Imperial Service Troops.	
	Tarbat-i-Haidari	His Britannic Majesty's Consul.	Consulate.
	Imperial Cadet Corps	Commandant.	
	Bam	His Britannic Majesty's Vice Consul.	Vice-Consulate.

(*a*) Under the audit of the Accountant General, Punjab.
(*b*) Under the audit of the Accountant General, Bombay.

Department of the Government of India.	Province, Agency or Department.	Local Government or other controlling authority.	REMARKS.
Foreign Department—*concld.*	8. SINGLE CHARGES—*contd.*		
	Kabul . . .	.....	Native Officer's special charge.
	Political Officer in charge of the ex-Amir.	.....	Held by officers who are ordinarily of the grade of Political Agent.
	Political Officer with Sardar Ayub Khan.	.....	
Home Department.	Coorg	Chief Commissioner of Coorg.	
	Port Blair . . .	Superintendent, Port Blair, and Chief Commissioner, Andamans.	
	Central Criminal Intelligence Department.	Director, Criminal Intelligence Department.	
	Administrator General, Bengal.	Administrator General.	
Education Department.	Archæological Survey	Archæological Surveyor, United Provinces and Punjab.	
		Archæological Surveyor, Bombay.	
		Archæological Surveyor, Bengal and Assam.	
		Government Epigraphist, Madras.	
		Archæological Surveyor, N.-W. F. Province and Baluchistan.	
	Imperial Library . .	Librarian.	
Revenue and Agriculture Department.	Survey of India . .	Surveyor General.	
	Board of Scientific Advice .	Secretary.	
	Botanical Survey . .	Director, Botanical Survey.	

* Under the audit of the Accountant General, Punjab.

Department of the Government of India.	Province, Agency or Department.	Local Government or other controlling authority.	REMARKS.
Revenue and Agriculture Department—*contd.*	Meteorological Department	Meteorological Reporter to the Government of India.	
	Agricultural Department .	Agricultural Adviser to the Government of India and Director of the Agricultural Research Institute, Pusa.	
	Agricultural Chemist .	Ditto.	
	Cryptogamic Botanist .		
	Biological and Economic Botanist.		
	Entomologist . .		
	Agricultural Bacteriologist.		
	Experimental farm at Pusa.		
Finance Department.	Comptroller General's Office.	Comptroller General.	
	Currency Office, Calcutta .	Ditto.	
	Calcutta Mint . .	Mint Master.	
Commerce and Industry Department.	Northern India Salt Revenue Department.	Commissioner, Northern India Salt Revenue.	
	Stationery and Printing Department.	Controller of Stationery, Printing and Stamps.	
	Government Printing Office.	Ditto.	
	Geological Survey . .	Director, Geological Survey.	
	Mines Inspecting Department.	Chief Inspector of Mines.	
	Bureau of Commercial Intelligence.	Director General of Commercial Intelligence.	
	Reporter on Economic Products.	Reporter on Economic Products.	
	Chief Inspector of Explosives.	Chief Inspector of Explosives.	